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January 20, 2015

***VIA OVERNIGHT DELIVERY***

Idaho Public Utilities Commission  
472 West Washington  
Boise, ID 83702-5983

Attention: Jean D. Jewell  
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction  
Case No. PAC-E-05-8

Dear Ms. Jewell:

This letter will serve as notice pursuant to Commitment I 17(2), incorporated in the Idaho Public Utilities Commission Order No. 29973 issued February 13, 2006, as supplemented by Order No. 29998 March 14, 2006, in the above-referenced proceeding, approving the acquisition of PacifiCorp by MidAmerican Energy Holdings Company (MEHC)<sup>1</sup>, of an affiliate interest transaction with Wells Fargo Bank, N.A. (Wells Fargo).

PacifiCorp selected Wells Fargo to be the custodian to hold assets for its Long Term Incentive Plan (LTIP) as explained below. A confidential copy of the draft Form of Custody Agreement (Agreement) is included as Confidential Attachment A. Attachment A contains commercially-sensitive information, which if disclosed, could expose PacifiCorp to competitive harm and cause increased costs. Confidential Attachment A contains a "draft" designation, which will be removed upon execution of the Agreement, however the Agreement will remain confidential. The Company does not expect any material changes to the terms and conditions of the Agreement.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). On December 31, 2013, Warren E. Buffet (an individual who may be deemed to control Berkshire Hathaway), Berkshire Hathaway, various subsidiaries of Berkshire Hathaway, and various employee benefit plans of Berkshire Hathaway subsidiaries together held in excess of five percent of Wells Fargo & Company common stock. Wells Fargo Bank, N.A. is a subsidiary of Wells Fargo & Company. Therefore, Berkshire Hathaway's ownership interest in Wells Fargo & Company and BHE may create an affiliated interest in some PacifiCorp jurisdictions.

Currently, BHE provides an LTIP for designated employees of BHE and certain of its subsidiaries, including PacifiCorp. Beginning in January, 2015 those BHE subsidiaries, including PacifiCorp, will implement and administer their own individual LTIPs and no longer

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<sup>1</sup> As of April 30, 2014, MEHC was renamed Berkshire Hathaway Energy.

Idaho Public Utilities Commission  
January 20, 2015  
Page 2

be part of the BHE LTIP. PacifiCorp does not include LTIP in rates. However, the Company provides notice of this transaction with Wells Fargo to ensure consistent treatment of affiliate contracts.

PacifiCorp selected Wells Fargo to serve as the custodian to hold the LTIP assets due to Wells Fargo providing similar custody services for the current BHE LTIP, overall satisfaction with its administration and services, reports and fees. The selection of Wells Fargo was not influenced by Berkshire Hathaway's ownership interest. PacifiCorp will pay a fee to Wells Fargo, priced at market rates or better, based on the number of transactions and consistent with other financial arrangements currently in place.

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. Holding assets in a custodial account is a prudent arrangement to set aside assets to fund the Company's LTIP obligations. Accordingly, the transaction is consistent with the public interest.

Please do not hesitate to contact me if you have any questions.

Best Regards,



R. Jeff Richards  
Vice President and General Counsel  
PacifiCorp

Enclosures

**CONFIDENTIAL ATTACHMENT A**

**THE ENTIRE DOCUMENT IS CONFIDENTIAL AND WILL BE  
PROVIDED SEPARATELY.**